

Executive Registry

76-2393/1

17 JUN 1976

Honorable Robert E. Hampton
Chairman
United States Civil Service
Commission
Washington, D. C. 20415

Dear Mr. Hampton:

Your letter dated 8 June 1976 references the President's call for a reexamination of the position management and classification systems. The Central Intelligence Agency, as you are aware, is exempt from the provisions of the Classification Act of 1949. Nonetheless, the Agency is on record that it will follow the basic philosophy and principles of the Act where possible.

For some months now we have been studying the position management and classification process within the Agency with the aim of achieving even greater effectiveness and efficiency. These studies have not been concluded, but it is my intention to take any action that is necessary to meet the President's objectives with respect to position management and classification. I assure you of my personal interest in this most important matter.

Sincerely,

/s/ George Bush

George Bush
Director

MORI/CDF Pages _1 and
4

Dist:

- 0 - Add
- 1 - DCI
- 1 - DDCI
- 1 - ER
- 1 - DDA
- 1 - Comptroller
- 1 - D/Pers Chrono (w/held)
- ✓ 1 - DB/Pers/P&C

ON FILE _____ RELEASE
INSTRUCTIONS APPLY

6 JUN 1976

STAT

OP/P&C/

Revised: D/Pers/FWMJanney:jmr (16 Jun 76)

Approved For Release 2006/05/12 : CIA-RDP82-00357R000500120018-9

STAT

Page Denied

Approved For Release 2006/05/12 : CIA-RDP82-00357R000500120018-9

UNCLASSIFIED CONFIDENTIAL SECRET

EXECUTIVE SECRETARIAT

Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	D/DCI/IC				
4	S/MC				
5	DDS&T				
6	DDI				
7	DDA	✓			
8	DDO				
9	D/DCI/NIO				
10	GC				
11	LC				
12	IG				
13	Compt		✓		
14	D/Pers		✓		
15	D/S				
16	DTR				
17	Asst/DCI				
18	AO/DCI				
19	C/IPS				
20					
21					
22					
SUSPENSE		16 JUNE Date			

Remarks:

Also develop DCI Acknowledgment

STAT

Executive Secretary

9 June



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

8 JUN 1976

Honorable George Bush
Director
Central Intelligence Agency
Washington, D. C. 20505

Executive Registry

76-2393/1

IN REPLY PLEASE REFER TO

1624
76-2393/1

YOUR REFERENCE

DD/A Registry

76-2903

Dear Mr. Bush:

In his memorandum of May 27, 1976, President Ford called upon each of us to reexamine our position management and classification systems. The President's objective is two-fold: to assure the just and lawful compensation of Federal employees, and to assure that work is organized and employee skills and energies are utilized for maximum cost performance. These processes--position management and position classification--are the very core of the Federal personnel management system. Their strength and integrity are essential to cost effective government.

Position classification is clearly defined by law and regulation. What is needed here is assurance that your agency's system is in full legal and regulatory compliance and that the management controls by which classification integrity is maintained are in place and working. Position management, though partially governed by regulation, is greatly dependent upon management skill and judgment, informed by experience and our growing knowledge of the complex forces that produce motivated employees and effective organizations. We must make certain that our work structures and organizational designs are systematically being assessed for improvement, and that the allocation of positions and deployment of people reflect the best we know about managing human resources. Success in meeting these objectives clearly depends upon the active commitment of managers at every organizational level across the planning, budget, personnel and, particularly, line functions.

Since both position management and classification are regularly reviewed in our personnel management evaluation program, we see no need for additional reporting. To assess agency progress, we shall conduct more intensive reviews of these areas this year, and ask that you do the same through your internal personnel management evaluation system. Guidance for these reviews will be issued shortly.

Your personal interest in and attention to these efforts will enable us collectively to meet the President's objectives.

Sincerely yours,

Robert E. Hampton

Robert E. Hampton

Chairman

THE MERIT SYSTEM--A GOOD INVESTMENT IN GOOD GOVERNMENT



WEEKLY

FEDERAL EMPLOYEES' NEWS DIGEST

EDITED BY JOSEPH YOUNG

GOVERNMENT COLUMNIST - WASHINGTON (D.C.) STAR

PUBLISHED IN WASHINGTON, D.C. ★ DIRECTED TO FIELD PERSONNEL

Vol. 25, No. 43

June 7, 1976

Washington, D.C.

Copyright © 1976 by FEDERAL EMPLOYEES' NEWS DIGEST, INC.

FORD ORDERS JOB GRADES REVIEW—President Ford has ordered all federal department and agency heads to review their job classification programs to make sure that employees are not being overpaid.

At the same time Ford said there are some cases of undergrading in government and that these cases should also be corrected.

The President said agencies and departments will be required to report to the Civil Service Commission on the corrective actions they take. Also, he said, the CSC "will pursue vigorously" its continuing program for evaluating agencies' job classification programs and taking corrective actions.

Ford's memorandum was not as strong as it might have been. Some administration officials had urged a presidential edict that would reduce the average pay grade in departments and agencies. But Ford followed the more moderate approach of other advisors in issuing the memorandum.

Ford referred to recent reports by the General Accounting Office that there has been a sharp escalation in the average federal pay grades over the past decade.

"Much of the rise is due to the fact that technological changes and other factors have brought about significant shifts in the makeup of the federal workforce," Ford noted. "These changes are reflected by a marked increase in the proportion of technical, professional, and managerial employees in the General Schedule."

However, Ford said "We cannot assume that this is the whole explanation . . . There is evidence of both overgrading and undergrading because positions are either improperly described or inaccurately classified. This is a condition that is unfair to all concerned. There also are indications in several agencies of excessive organization fragmentation, duplication of work and superfluous layers of supervision."

Ford said that "where work has become substantially more complex or difficult, managers have a clear obligation to make commensurate adjustments in the way work is organized and in the grades of individual jobs."

However, the President added, "At the same time, there is an equally clear responsibility to ensure that undue grade increases are not allowed to occur."

Ford said position classification "is a matter of law" and that government managers "are required to put jobs in their proper grades and federal employees are entitled to equitable pay."

HIGH COURT DECISION A VICTORY FOR EMPLOYEES IN BIAS CASES—The Supreme Court has ruled that federal employees claiming to be the victims of race, religion or sex discrimination are entitled to full trials in U.S. District Court and not a trial limited to the evidence submitted by the agency accused of bias.

As a result of the decision, federal workers who sue will have the clear right to produce evidence on their own behalf in federal courts, including, perhaps, live testimony from fellow employees, supervisors and others with information on their agency's promotion and hiring practices.

Published weekly except the last week in December and the first week in January. FEDERAL EMPLOYEES' NEWS DIGEST at 7115 Leesburg Pike, Falls Church, Virginia 22043. Second Class postage paid at Falls Church, VA and additional mailing offices.

SUBSCRIPTION RATES

2nd class mailing (in U.S. only).....\$12.00 per year.
1st class mailing.....\$16.00 per year.

Mail all communications and orders to:

FEDERAL EMPLOYEES' NEWS DIGEST, INC.
P.O. Box 457
Merrifield, Va. 22116
Telephone (703) 533-3031

Until now the government has contended that employees in such cases before federal courts were only entitled to have transcripts of their proceedings before agency EEO boards presented to the courts. Various U.S. circuits courts of appeals had split on the issue. The Supreme Court decision settled it once and for all in favor of employee rights to a full trial in federal courts on their charges.

However, in another decision, the Supreme Court held that federal employees in these discrimination cases must first exhaust their administrative remedies in their agencies before they can take their cases to the federal courts. The court said the

employees must go through the steps required by Title VII of the 1964 Civil Rights Act, exhausting agency procedures before going to court, and observe strict time limits for filing suit.

ALIEN BAN LIFTED—The Supreme Court has struck down Civil Service Commission rules barring resident aliens from most federal jobs.

The decision could open to the nation's 4 million aliens the chance to compete for the 300,000 federal jobs that become available each year.

However, the court's ruling was based on narrow constitutional grounds and emphasized the absence of either a specific law or presidential order covering the subject. The court's decision indicated that it might approve more carefully drawn restrictions if decreed by the President in an executive order or in a law enacted by Congress.

POSTAL WORKERS ON EDGE—The fact that postal workers are fighting mad over conditions in the Postal Service was underscored last week when National Association of Letter Carrier members in Seattle, Wash. took a strike vote.

The strike proposal was defeated by a vote of 399 to 147. But the very fact that a strike vote was taken, despite the fact that postal strikes are illegal and strikers are subject to penalties of removal, fines and imprisonment, shows the extent of the discontent among postal workers.

Meanwhile, the American Postal Workers Union plans a day of "informational" picketing of post offices throughout the country to dramatize postal workers discontent over the way things are going.

Postal workers are angered over forced overtime, larger delivery routes, inadequate grievance procedures, the closing of smaller postal stations, and what they charge is the Ford Administration's plan to destroy the Postal Service and turn most of the business over to private enterprise.

BOO OF THE YEAR—Federally Employed Women has given its boo of the year to four Senators who have no women employees in any of their top five staff jobs and in whose offices the highest paid woman ranks ninth. FEW recently completed a survey of job opportunities for women on Capitol Hill.

The four Senators are John Tunney, D-Calif.; Birch Bayh, D-Ind.; John Glenn, D-Ohio; and James McClure, R-Idaho.

WEBBER'S ILLNESS—Ill health might cause Clyde Webber, president of the AFL-CIO American Federation of Government Employees, the government's largest union, not to seek re-election at the union's convention in Las Vegas this summer.

Webber, 56, is now undergoing treatments for a lung tumor and expects to return full-time to his office soon. However, he told the membership that if he finds he cannot continue to serve as full-time president, he will withdraw as candidate for re-election.

Webber is one of the most popular government union leaders and everyone is pulling for his full recovery.

Meanwhile, the AFGE's second top officer, Dennis Garrison, the executive vice president, has announced he will retire this year. Joseph Gleason, AFGE vice president of its New York region, previously announced his candidacy for Garrison's job.

HOUSE TO ACT ON MERIT ABUSE REPORT—The House Civil Service Committee will hold investigative hearings starting this week on the Sharon report which accused the Civil Service Commission of conducting a widespread patronage operation in violation of merit system rules.

The CSC commissioners as well as other top commission officials will be called to testify under oath, Chairman David Henderson, D-N.C., declared in announcing the hearings.

The report was based on investigation made by a CSC in-house team headed by Milton I. Sharon, a retired commission regional director.

Its findings were that top commission officials were involved in patronage dispensing operations in which persons backed by the White House, members of Congress, and various federal officials secured choice government career jobs in violation of merit rules.

AGENCIES READY TO TRY FLEXTIME—Now that the House, in approving the flexitime bill, has made the three-year experiment on a 4-day federal week and staggered hours and workweeks voluntary on the part of federal agencies rather than mandatory, some federal workers are wondering whether any agency will volunteer for the program.

Civil Service Commission officials say not to worry, assuming that the Senate also approves the bill. More than 30 government agencies already have expressed interest in the experiment and the CSC's job will be to pick and choose and decide which units will be allowed to engage in the experimental program.

TOUGH ON SICK LEAVE—Some federal agencies are going overboard in their efforts to hold down sick leave use by their employees.

At the Bureau of Engraving and Printing, every time an employee uses sick leave before making a prior request or satisfying the agency that the leave use was justified, the agency deems it an "occasion" and it is placed in the employee's record.

After 8 or 10 "occasions" an employee can be fired or denied promotion to a higher-grade job.

The same holds true for tardiness, each one of which, regardless of the reason, is regarded as an "occasion."

BEP officials acknowledge theirs is a tough policy, but say it is necessary because of the heavy workload and an understaffed workforce. But the rigid and sometimes unreasonable rules about sick leave use seem overly harsh and unjust.

Meanwhile, employees of the Geological Survey's printing branch, eastern region, at Reston, Va., charge that they have been admonished by their superiors that sick leave use in excess of 64 hours a year (8 days a year) constitutes sick leave abuse. If so, the agency apparently ignores the fact that the law gives federal employees 13 days of sick leave a year to use if they are ill.

NAGE'S MIXED SCORE—You win some and you lose some.

The independent National Association of Government Employees has won exclusive bargaining rights on behalf of the 7,625 employees of the Federal Aviation Administration who work in airway facilities job classifications. However, NAGE suffered a narrow loss to the AFL-CIO Metal Trades Council in its second effort in five years to dislodge the MTC as exclusive representative of 4,600 wage board workers of the Charleston, S.C. Naval Shipyard.

NOT INTERESTED—Some time ago Rep. Charles Grassley, R-Iowa, wrote a letter to President Ford asking him to endorse his bill to remove congressional pay raises from those of federal white-collar workers.

Thus far, there has been no reply from the White House. Could it be that Ford wants to keep congressional pay raises linked to federal white-collar salaries because he knows that this will insure holding down the amount of federal pay? As long as congressional pay is tied to federal white-collar pay, congressmen will opt for the lowest amount because of their fear of voter reaction.

MOVE TO BLOCK ORGANIZING OF MILITARY—Sen. Strom Thurmond, R-S.C., and 24 other Senators have sponsored legislation to make it illegal for federal employee unions to unionize military personnel. The measure would also make it illegal for any member of the armed forces to join any labor organization.

The legislation is aimed at the AFL-CIO American Federation of Government Employees and several other smaller groups who are giving serious consideration to organizing military personnel.

June 7, 1976

-4-

HOW ELSE?—From the American Legion magazine: Trying to determine why production in a New England factory had declined, the new efficiency expert asked the company's personnel director, "How many employees do you have approaching retirement age?"

The personnel director regarded the efficiency expert thoughtfully. "Well," he replied mildly, "we haven't any employees going the other way."

FASSER'S NEW JOB—Paul J. Fasser Jr., who recently resigned as assistant secretary of Labor in charge of the federal employee labor-management program, has switched over to the postal side.

Fasser has accepted the appointment as associate umpire to arbitrate disputes of national significance between postal employee unions and the Postal Service. He will work with Sylvester Garrett who has been umpire of postal grievances for more than two years.

ONWARD AND UPWARD—Don't despair. You too can become famous. The Civil Service Commission lists the following civil servants who went on to fame and glory:

President Abraham Lincoln was a postmaster; Clara Barton, founder of the Red Cross, was a clerk in the Patent Office; Walt Whitman, the poet, was a clerk; President Harry Truman was a postmaster; James Thurber, the humorist, was a State Department clerk; Washington Irving, the author, was in the State Department's diplomatic service; President Herbert Hoover was a field geologist with the Geological Survey.

Copyright © 1976 by FEDERAL EMPLOYEES' NEWS DIGEST, INC.

<p>1976 FEDERAL EMPLOYEES' ALMANAC RATES:</p> <p><i>Individual Copy Rates:</i></p> <p>\$2.00—via Regular Book Mailing</p> <p>\$2.60—via First Class Mailing</p> <p>NO C.O.D. ORDERS</p> <p>You and your co-workers can get your personal copies at a reduced rate by ordering as a group and getting a club package.</p>	<p><i>Club Package Rates:</i></p> <p>1 thru 5 \$2.00 each</p> <p>6 thru 19 \$1.85 each</p> <p>20 thru 49 \$1.75 each</p> <p>50 thru 99 \$1.65 each</p> <p>100 thru 249 \$1.60 each</p> <p>250 thru 999 \$1.50 each</p> <p>1000 up \$1.35 each</p>	<p>PLEASE TELL YOUR CO-WORKERS ABOUT FEDERAL EMPLOYEES' NEWS DIGEST. Subscriptions from individuals or office groups will be appreciated. Remember, the subscription rate is only \$12.00 for 50 weeks of factual and current information which affects every government career person.</p>
--	---	---

Federal Employees' News Digest may not be reproduced in whole or in part without permission of the publisher.

This is Your WEEKLY FEDERAL EMPLOYEES' NEWS DIGEST



**The Latest
Federal Employee News
From Washington, D.C.**

NEWSPAPER

SAMPLE COPY

B. Fisher
Director of Personnel
Central Intelligence Agency
Washington, D.C. 20505

Exp No. 33

PLEASE INCLUDE ZIP CODE NO. _____

CUT OUT AND SUBMIT WITH RENEWAL OR ADDRESS CHANGE REQUEST

Send to: Federal Employees' News Digest, Inc. P.O. Box 457, Merrifield, Va. 22116

This Is Issue No. 43

Subscriptions marked Exp. No. 43, 44 or 45 in the address panel are expiring. Please forward renewal orders NOW.

1 76-1566

7 June 1976

NOTE FOR: DD/Pers/P&C

FROM



Deputy Director of Personnel

STAT

SUBJECT : President's Memorandum on Classification and
Position Management

1. I believe that the President's most recent letter gives us a great opportunity to put our case forward to the Director, and I think we should take the initiative to do so. Would you take a try at a draft from the Director of Personnel through DDA to the DCI that summarizes the recent Presidential effort and steps taken to curb grade creep. The recent letter from the President and the role the CSC is to play are related to our present situation in the Agency; i.e., our feeling that Agency managers still are not aware of classification standards, etc. Pull from the Van Damm study to the extent it helps our presentation, and let's urge that the Director take a very firm position as his response to the Presidential directive. Let's submit to him for signature Van Damm's Director's Message or something even stronger and conclude our paper with a recommendation that he sign such a notice.

2. We may have some trouble en route getting such a paper through, but I think we should take a stab at trying to do so.

STAT



Att.

SENDER WILL CHECK CLASSIFICATION ON TOP AND BOTTOM			
UNCLASSIFIED	CONFIDENTIAL	SECRET	
OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	AD/Pers	3 June	✓
2	D/Pers (separate copy to D/Pers)		
3			
4			
5			
6			
	ACTION	DIRECT REPLY	PREPARE REPLY
	APPROVAL	DISPATCH	RECOMMENDATION
	COMMENT	FILE	RETURN
	CONCURRENCE	INFORMATION	SIGNATURE
<p>Remarks:</p> <p style="margin-top: 20px;">Paper we picked from CSC on 3 June 76. Pls note letter from President Ford concerning proper classification. D/Pers may wish to consider bringing to Mr Blake's attn. *</p> <p style="text-align: right; margin-right: 50px;">STAT</p> <div style="border: 1px solid black; width: 100px; height: 20px; margin: 10px auto;"></div> <p style="margin-top: 20px;">*A copy of the President's letter was routed down from O/DCI through DDA to us.</p> <p style="text-align: right; margin-right: 50px;">STAT</p>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
			3 JUN 1976
UNCLASSIFIED	CONFIDENTIAL	SECRET	

INTERAGENCY ADVISORY GROUP

UNITED STATES CIVIL SERVICE COMMISSION
OFFICE OF THE EXECUTIVE DIRECTOR
WASHINGTON, D.C. 20415

Chairman

Raymond Jacobson
Executive Director, CSC
Room 5518, Ext. 26111

Executive Vice-Chairman

Clinton Smith
Room 1304, Ext. 26272



Secretariat

Room 1304—1900 E St., N.W.
Code 101, Ext. 26266 or
Area Code 202—632-6266

June 1, 1976

TO: Directors of Personnel

FROM: Clinton Smith
Executive Vice-Chairman, IAG

SUBJECT: President's Memorandum on Classification and Position Management

The attached Presidential Memorandum on classification and position management is forwarded in accordance with discussions during our recent IAG conference.

The section of the conference report on Position Management and Cost Reduction reemphasized the important leadership role of the personnel director in acting to assure the effective linkage between position classification, position management, effective human resource planning and utilization to meet short and long range staffing needs, the budget process, and overall agency planning and management. We plan to take early action to re-establish an IAG subcommittee (under the appropriate IAG committee) on classification and position management.

Currently, Federal Personnel Manual Chapter 250, Subchapter 2, Elements of Effective Agency Personnel Management: Planning, Operations, and Evaluation (revised in 1974), outlines various roles and responsibilities for particular aspects of personnel management planning. Additionally, for the future, the planned revision of E.O. 9830 and CSC Bulletin 250-4, on workforce planning, will provide a basic framework for public sector planning and management of human resources.

An immediate objective, however, is to significantly strengthen the personnel director's role in overall management matters by seeking the inclusion in multi-year agency management plans of personnel management objectives in the following areas, as a minimum, in which there are current Presidential level initiatives: executive development and planning, cost reduction, position classification and position management, and equal employment opportunity.

Attachment

THE WHITE HOUSE

WASHINGTON

May 27, 1976

MEMORANDUM FOR THE HEADS OF
DEPARTMENTS AND AGENCIES

Over the past two decades, there has been a gradual but substantial rise in the average grade of General Schedule employees. Much of this rise is due to the fact that technological changes and other factors have brought about significant shifts in the makeup of the Federal workforce. These changes are reflected by a marked increase in the proportion of technical, professional, and managerial employees in the General Schedule.

We cannot assume, however, that this is the whole explanation. Recent reviews by the Civil Service Commission, the General Accounting Office, and the Office of Management and Budget indicate that classification and position management systems are not functioning as effectively as they should in a number of Federal agencies. There is evidence of both overgrading and undergrading because positions are either improperly described or inaccurately classified. This creates a situation which is unfair to all concerned. There are also indications in several agencies of excessive organization fragmentation, duplication of work and superfluous layers of supervision.

Where work has become substantially more complex or difficult, managers have a clear obligation to make commensurate adjustments in the way work is organized and in the grades of individual jobs. At the same time, there is an equally clear responsibility to ensure that undue grade increases are not allowed to occur. Position classification is a matter of law. Government managers are required to put jobs in their proper grades and Federal employees are entitled to equitable pay. Proper position management ensures that work is organized in a cost effective manner to provide optimum development and use of people's skills and energies. When either position classification or position management is deficient the result may be an unnecessary increase in the cost of Government.

I, therefore, am calling upon you to reexamine your internal position management and classification systems to ensure they are operating effectively and in full compliance with applicable laws and regulations. Agency heads will conduct this review in a manner to be prescribed by the Civil Service Commission and will report to the Commission both the actions they have taken and the results of those actions.

At the same time, the Civil Service Commission will pursue vigorously its continuing programs for evaluating agency performance and bringing about corrective action in the areas of position management and classification. Where the Commission finds extensive overgrading, undergrading, or underutilization of personnel resources, it will bring its findings to the attention of the Agency head concerned. In addition, the Commission and the Office of Management and Budget will work with the agencies involved to correct such problems, and may prescribe special instructions where warranted.

Gerald R. Ford

E 2

Saturday, May 29, 1976

THE WASHINGTON POST

The Federal Diary

Job Classification Crackdown Starts



By
Mike
Causey

The White House yesterday told federal agencies to get tough with their in-house grade and classification systems to make sure that federal workers aren't being paid or rated more than their jobs are worth.

President Ford's crackdown order comes in the wake of Civil Service Commission and General Accounting Office studies that indicate that many government jobs apparently are overgraded, and that "grade creep" in agencies is not wholly justified because of increased technology and professionalism.

Studies have shown that the average white collar federal grade in nearly every agency has gone up significantly in the past two decades. That was a period when scientists and professionals became more numerous than secretaries. But many federal officials feel that agencies were either sloppy, or intentionally permitted overgrading of some jobs to give disguised pay raises to employees.

While noting that the makeup of the federal workforce has changed dramatically in the past 20 years, Mr. Ford said "... we cannot assume, however, that this is the whole explanation" for the higher pay and grade averages.

"Where work has become substantially more complex or difficult," the President wrote agency heads, "managers have a clear obligation to make commensurate adjustments in the way work is organized and in the grades of individual jobs. At the same time, there is an equally clear responsibility to ensure that undue grade increases are not allowed to occur."

Federal agencies, by law, are required to make annual reviews of jobs to insure that they are graded—and therefore paid—at the proper level. Some agencies do this, but others the White House obviously feels, have paid only lip service to the classification and have permitted upgradings in in-

stances where they are not justified.

Many agencies anticipated the job-classification crackdown, and have been undergoing the toughest—many employees say too tough—classification reviews in years. A number of workers in various agencies have been told that their jobs—through no fault of their own—have been rated too high. Some employees have been demoted, usually without loss of pay, while others have been told that when they leave or retire their jobs will be down-graded for the next occupant, in some cases by splitting work assignments among lower graded employees.

Federal officials say that the instances of overgrading are probably not out of line with "grade creep" problems in industry. In both the CSC and GAO studies, they say, suspect jobs and agencies were investigated making the end results appear more damaging than the federal service as a whole deserves. But the new order means that job classifiers will get tougher, and many employees will be hit hard by the new tough application of job standards.

Approved For Release 2006/05/12 : CIA-RDP82-00357R000500120018-9

Page Denied

Approved For Release 2006/05/12 : CIA-RDP82-00357R000500120018-9

UNCLASSIFIED	CONFIDENTIAL	SECRET
--------------	--------------	--------

EXECUTIVE SECRETARIAT

Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI		X		
3	D/DCI/IC				
4	S/MC				
5	DDS&T				
6	DDI				
7	DDA	X			
8	DDO				
9	D/DCI/NIO				
10	GC				
11	LC				
12	IG				
13	Compt		X		
14	D/Pers				
15	D/S				
16	DTR				
17	Asst/DCI				
18	AO/DCI				
19	C/IPS				
20	Mr. Knoche		X		
21					
22					
SUSPENSE		Date			

Remarks:

To 7, For further distribution as appropriate.

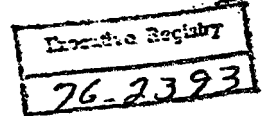
D/ Executive Secretary

1 June 76

Date

THE WHITE HOUSE
WASHINGTON

May 27, 1976



MEMORANDUM FOR THE HEADS OF
DEPARTMENTS AND AGENCIES

Over the past two decades, there has been a gradual but substantial rise in the average grade of General Schedule employees. Much of this rise is due to the fact that technological changes and other factors have brought about significant shifts in the makeup of the Federal workforce. These changes are reflected by a marked increase in the proportion of technical, professional, and managerial employees in the General Schedule.

We cannot assume, however, that this is the whole explanation. Recent reviews by the Civil Service Commission, the General Accounting Office, and the Office of Management and Budget indicate that classification and position management systems are not functioning as effectively as they should in a number of Federal agencies. There is evidence of both overgrading and undergrading because positions are either improperly described or inaccurately classified. This creates a situation which is unfair to all concerned. There are also indications in several agencies of excessive organization fragmentation, duplication of work and superfluous layers of supervision.

Where work has become substantially more complex or difficult, managers have a clear obligation to make commensurate adjustments in the way work is organized and in the grades of individual jobs. At the same time, there is an equally clear responsibility to ensure that undue grade increases are not allowed to occur. Position classification is a matter of law. Government managers are required to put jobs in their proper grades and Federal employees are entitled to equitable pay. Proper position management ensures that work is organized in a cost effective manner to provide optimum development and use of people's skills and energies. When either position classification or position management is deficient the result may be an unnecessary increase in the cost of Government.

2

I, therefore, am calling upon you to reexamine your internal position management and classification systems to ensure they are operating effectively and in full compliance with applicable laws and regulations. Agency heads will conduct this review in a manner to be prescribed by the Civil Service Commission and will report to the Commission both the actions they have taken and the results of those actions.

At the same time, the Civil Service Commission will pursue vigorously its continuing programs for evaluating agency performance and bringing about corrective action in the areas of position management and classification. Where the Commission finds extensive overgrading, undergrading, or underutilization of personnel resources, it will bring its findings to the attention of the Agency head concerned. In addition, the Commission and the Office of Management and Budget will work with the agencies involved to correct such problems, and may prescribe special instructions where warranted.

Gerald R. Ford